

HOUSE BILL REPORT

HB 2455

As Reported by House Committee On:
Transportation

Title: An act relating to the expiration of monetary value of fare media.

Brief Description: Concerning the expiration of monetary value of fare media.

Sponsors: Representatives Appleton, Hudgins, Hasegawa, McIntire, Nelson and Rolfes.

Brief History:

Committee Activity:

Transportation: 1/23/08, 2/8/08 [DPS].

Brief Summary of Substitute Bill

- Prevents the expiration in under 120 days of the monetary value of any fare media for Washington State Ferries.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 18 members: Representatives Clibborn, Chair; Flannigan, Vice Chair; Appleton, Campbell, Dickerson, Eddy, Hudgins, Jarrett, Loomis, Rolfes, Sells, Simpson, Springer, Takko, Uptegrove, Wallace, Williams and Wood.

Staff: David Munnecke (786-7315).

Background:

The Washington State Department of Transportation (WSDOT) Ferries Division operates and maintains ferry vessels and terminals, constructs terminals, and acquires vessels. The system serves eight Washington counties and one Canadian province through a fleet of 23 vessels and 20 terminals. The Washington State Ferries (WSF) also operates a maintenance facility at Eagle Harbor.

Beginning in 2007 the WSDOT was required to review fares and pricing policies annually using data from a current survey of users and input from affected ferry users. Beginning this year, fares and pricing policies must be developed so that they: (1) recognize that each route

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is unique; (2) use data from a current customer survey; (3) are developed with input from affected ferry users; (4) generate the amount of revenue required by the biennial transportation budget; (5) consider impacts on users, capacity, and local communities; (6) keep fare schedules as simple as possible; and (7) consider options for using pricing to level vehicle peak demand and increase off-peak ridership.

The Washington Transportation Commission is required to adopt the WSF's fares and pricing policies, and may not raise ferry fares until the fare rules contain the new pricing policies described above, or September 1, 2009, whichever is later.

Pursuant to rule, fare media allowing for multiple rides on the WSF system are valid for 90 days from the date of purchase. The remaining value on such fare media is also not eligible for refund.

Summary of Substitute Bill:

The WSF may not enforce an expiration date of less than 120 days on the monetary value of any of its fare media.

Substitute Bill Compared to Original Bill:

The WSF may not enforce an expiration date of less than 120 days on the monetary value of any of its fare media, and the requirement that the WSF refund or exchange any remaining monetary value of fare media is removed.

A null and void clause is added to the bill that requires funding in the transportation budget in order for the bill to take effect.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed. However, the bill is null and void if not funded in the transportation budget.

Staff Summary of Public Testimony:

(In support) It is not fair for someone to pay for a ferry pass and lose the remaining value when the pass expires. There are no expiration dates allowed on gift cards, and there are no expiration dates on tolls, so there should not be expiration dates on ferry passes.

The ferry advisory committees are responsible for providing advice to the ferry system. The expiration date is one of the two most common complaints heard about the operation of the system. The seven days for individual passes and the 90 days for the multi-ride passes are too

short, and both need to be extended. The WSF generally needs to focus more on customer service.

(Opposed) This bill would take away revenue from the system at a time when it is desperately needed. The multi-ride passes are set up so that the majority of the discount occurs on the last few rides. If there is no expiration date, then everyone can take advantage of this discount.

There are policy choices required when it comes to offering discounts and how you control who uses the discounts. The WSF has considered a wide variety of pricing strategies, and will continue to work on these issues as part of the ferry financing study required by House Bill 2358.

Persons Testifying: (In support) Chris VanDyke, Bainbridge Media Group; Alan Mendel, Vashon Ferry Advisory Committee; and Walt Elliott, Ferry Advisory Committee.

(Opposed) Traci Brewer-Rogstad, Washington State Ferries, Washington State Department of Transportation.

Persons Signed In To Testify But Not Testifying: None.